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Industrial Machines to China from the Soviet Bloc

Ta Kung Pao, Shanghai, 7 November 1951

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INDUSTRIAL MACHINERY AND EQUIPMENT CONTINUOUSLY

ARRIVE AT SHANGHAI FROM THE SOVIET BLOC

While the entire nation is enthusiastically celebrating the 34th anniversary of the Soviet October Socialist Revolution, a huge quantity of industrial machinery and equipment, shipped by the Shanghai Metals and Machinery Company of the China Industrial Machinery Company and the Shanghai branches of the China Communication Materials Company and the China Chemicals and Dyes Company, has arrived at Shanghai from the Soviet bloc and is now available on the market. This has been a great boon to China's economic reconstruction and has also strengthened the friendship between the people of China and the people of the Soviet Union; it has consolidated the unity among the fraternal nations and further strengthened the world peace front headed by the Soviet Union.

Up to the present time the industrial machinery and equipment which have arrived include the following: various metals, including steel wire stock, <sup>angle iron</sup> triangular strip, U-strip, I-beams, round stock, baling tape, band steel, tool steel, tube steel, gas pipe, boiler pipe, <sup>sandpaper</sup> emory cloth, <sup>files</sup> grinding wheel, pliers; nonferrous metals, including aluminum bar, sheet zinc, zinc baling tape, and various copper products; machinery and instruments including vertical planing machines, planing machines, bubble levels, transits, and X-ray metalloscopes; communications equipment, including trucks and automobiles; electric equipment, including carbon electrodes, electric meters, switch boxes, rubber plates and insulation materials; chemicals, including wood pulp, alcohol compounds,

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butyl acetate, acetic acid, carbon tetroxide, paraffin, phosphoric acid, caustic soda, potassium hydroxide, potassium carbonate, zinc oxide, potassium chlorate, sodium chlorate; dyes including King's blue, Emerald-green, Methylene blue, dinitrophenol, vermillion reds, and chrysoidine, etc. The arrival of this machinery and basic industrial material has provided an essential solution to the problem of shortage of industrial machinery and production materials.

This imported industrial machinery and equipment is not only of high quality and uniform standard, but has been obtained at prices much lower than the prevailing market prices. For instance, the wire stock imported from the Soviet Union and used in making nails, wire, screws, solder, needles, etc, is generally of superior hardness and flexibility than that imported from the capitalist countries, except that its external diameter is greater. The standard specifications of this wire stock are: (1) Diameter -- 6.5 millimeters; (2) Chemical contents: carbon, 0.1-0.19 percent; magnesium, 0.36-0.5 percent; sulphur, 0.046-0.055 percent; phosphorous 0.015-0.02 percent, and silicon 0.02 percent. It should be noted that the Soviet bloc has adopted the metric system as its standard of measurement; this will be of great advantage to us in our efforts to standardize our industrial products.

Because the industrial machinery and equipment mentioned above has been supplied at lower prices, industrial production costs are lowered and the nation's industrial development is thereby encouraged. Furthermore, the continuous arrival of industrial machinery and equipment from the Soviet bloc has

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contributed greatly toward the stabilization of prices of machinery and equipment. State enterprises have cut the price of industrial machinery and equipment several times. For instance, price cuts on zinc baling tape, zinc bar, triangular strip, wire stock, I-beams, T-beams, boiler pipe, ferrous and nonferrous tubing, silicon steel, and steel baling tape range on the average from 9 to 40 percent. As the state enterprises lowered their quoted prices, prices in the Shanghai market dropped or became stabilized at corresponding levels. Take the price of wire stock, sheet zinc, and steel baling tape, for instance: The price of wire stock was 12 million yuan per metric ton on 6 July 1951; it rose to 14.5 million on 10 August, but dropped to 12.8 million on 1 September, and to 12 million by 22 October; the price of sheet zinc was 68 million yuan per metric ton on 6 July; it rose to 84 million on 10 August, but dropped to 80 million on 1 September, and to 60 million on 22 October; steel baling tape was 15 million per metric ton on 6 July, jumped to 17 million on 10 August, but declined to 16.5 million on 1 September, and down to 15.5 million on 22 October. In short, the prices of these metals have dropped to their June-July levels as a result of the arrival of these metals in large quantity from the Soviet bloc, the price cuts made by the state enterprises, and the sufficient supply which is now available. Moreover, our sound trade policies have brought reactions in the Hongkong market. For instance, the price for wire stock of the same specifications was 1,132 Hongkong dollars per metric ton on 14 July; it rose to HK \$1,372 on 25 July and HK 1,521 on 22 August, but dropped to HK \$1,240 on 17 September and further to HK \$1,157 on 12 October. This indicates that the

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uninterrupted supply of industrial machinery and equipment by the Soviet bloc has forced the prices down in the Hongkong market as it has in the domestic market.

It must be pointed out that what we now import from the Soviet bloc is industrial machinery and basic materials, which stand in sharp contrast to the surplus commodities the imperialist countries previously used to dump on our market and destroy our national industry. The import of Soviet Russia's wire stock has in fact stimulated the nail and needle industries in Shanghai. Nail output is now twice as great as 2 months ago. Because China's machine-building industry was formerly dependent on foreign countries, it could not possibly produce with its existing facility a sufficient quantity of machinery for the industrialization of China. For instance, plants manufacturing textile machinery have felt the shortage of such machine tools as horizontal and vertical planing machines, and thus found it impossible to handle the huge purchase orders from the state. Fortunately, a large number of horizontal and vertical planing machines and other tools have been imported from Czechoslovakia. Undoubtedly this will greatly ease the difficulties arising from the shortage of machine tools, and have a stimulating effect on the nation's industrial growth. We have also imported from the Soviet bloc many other valuable materials such as zinc-oxide used in the rubber and medicinal industries, high-speed tool steel which will boost the quality of Chinese machine tools, and aluminum which is essential to the national defense industry.

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Speaking of aluminum, everyone knows that it is a metal which the US is most reluctant to sell to other countries, including her satellites. But the US fails to strangle our defense industry even though she curbs the export of aluminum. The US hates and is jealous of the newly born people's China; she claims she can obstruct China's industrial development by using blockades and export bans. She is ignorant of the fact that here blockade and export bans have in effect induced us to terminate our economic dependence on the imperialist countries and hence have shortened China's struggle for independence and self-determination. The assistance we have now received from the Soviet bloc has indeed greatly encouraged us in our struggle against the American blockade.

*(Tien-shih-chieh "Electric World", April 15, 1950)*

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*(Ta-Kung-pao, Shanghai, Nov. 1, 1951)*

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